

**COMMENT SET 7: COUNTY OF SAN LUIS OBISPO AIR POLLUTION CONTROL DISTRICT, DARREN BROWN, AIR QUALITY SPECIALIST**



January 16, 2009

Scott McFarlin  
California State Lands Commission  
100 Howe Avenue, Suite 100  
Sacramento CA 95825-8202

SUBJECT: APCD Comments Regarding the AT&T Asia America Gateway Project Draft  
Environmental Impact Report. (EIR No.: 745)

Dear Mr. McFarlin,

Thank you for including the San Luis Obispo County Air Pollution Control District (APCD) in the environmental review process. We have completed our review of the proposed project located in Montana de Oro State Park. This project involves the installation and maintenance of one fiber optic cable with self-contained power on the continental shelf from Hawaii to California. The cable would land at AT&T's existing landing facility in the Montana De Oro Sand Spit Parking Lot near Morro Bay, California. The cable would be connected to the AT&T 03 cable station located in San Luis Obispo. The marine cable would be installed using a combination of plowing and direct bottom lay along a predetermined course.

Terrestrial segment consists of an existing conduit and manhole system extending from the beach manhole at the Montana De Oro Sand Spit Parking Lot inland a distance of approximately 10.5 miles to the AT&T 03 cable station. Once this conduit system exits the Montana De Oro State Park, it exists entirely within private AT&T easements with the exception of two road crossings (Pecho Valley Road and Clarks Gap Road). This terrestrial route is commonly referred to as the ridge conduit system. Shore-end segment includes an existing beach manhole and one existing five-inch drill pipe extending from the beach manhole at the Montana De Oro Sand Spit Parking Lot seaward a distance of approximately 2,200 feet from the mean high tide. From there, the cable would extend through the tidal zone, to a point where the water depth reaches approximately 98 feet.

The following are APCD comments that are pertinent to this project.

1. Contact Person:

Darren Brown, Air Quality Specialist  
Air Pollution Control District  
3433 Roberto Court  
San Luis Obispo, CA 93401  
(805) 781-5912

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2. Permit(s) or Approval(s) Authority:

Portable equipment used during construction activities may require statewide registration or a District permit. Please contact Gary Willey of our Engineering Division at (805) 781-5912 prior to final permit approval of these types of projects by your agency.

7-1

3. GENERAL COMMENTS

As a commenting agency in the California Environmental Quality Act (CEQA) review process for a project, the APCD assesses air pollution impacts from both the construction and operational phases of a project, with separate significant thresholds for each. **Please address the action items contained in this letter that are highlighted by bold and underlined text.**

7-2

4. CONSTRUCTION PHASE MITIGATION

Standard NOx Control Measures for Construction Equipment

The standard construction equipment mitigation measures for reducing nitrogen oxide (NOx) emissions are listed below and in section 6.3.1 of the Air Quality Handbook. **These measures are applicable to all projects where construction equipment will be used:**

- Maintain all construction equipment in proper tune according to manufacturer's specifications.
- Fuel all off-road and portable diesel powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road).
- Maximize, to the extent feasible, the use of diesel construction equipment meeting ARB's Tier 2 or newer certification standard for off-road heavy-duty diesel engines.
- Maximize to the extent feasible, the use of on-road heavy-duty equipment and trucks that meet the ARB's 2007 or newer certification standard for on-road heavy-duty diesel engines.
- All on and off-road diesel equipment shall not be allowed to idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit.

7-3

Off-site Mitigation

Off site mitigation is needed if impacts can not be fully mitigation on-site. The current mitigation rate is \$16,000 per ton of ozone precursor emission (NOx + ROG) over the APCD threshold (2.5 tons per quarter; combined NOx + ROG), evaluated over the length of the expected exceedence. **The DEIR incorrectly indicates that a Federal/State boundary 3 miles west of the shoreline. California Coastal Waters used to determine project emissions are defined in the Carl Moyer Guidelines Figure 9-1 on page IX-4 (see attachment). The applicant should recalculate the air quality impacts to identify "within state waters" consistent with these guidelines and submit them to APCD for evaluation and verification. Following verification, APCD and applicant can establish off-site mitigation program based on the ozone precursor exceedence. The applicant may use the funding of this program to implement APCD approved emission reduction projects near the project site or may pay that funding level plus a 15% administration fee to the APCD for the APCD to implement emission reduction projects in close**

7-4

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**proximity to the project. The applicant shall provide this funding at least two (2) months prior to the start of the project to help facilitate emission offsets that are real-time as possible.**

7-4

#### 5. OPERATIONAL PHASE MITIGATION

The air quality analysis indicates that operational phase traditional air quality impacts will likely be less than the APCD's CEQA Tier I significance threshold value of 10 lbs of emissions per day. **Therefore, APCD is not requiring any operational phase mitigation measures for this project.**

7-5

#### 6. Greenhouse Gas Impacts and Mitigation

In 2006, the California State Legislature adopted AB 32, the California Global Warming Solutions Act of 2006. On June 19, 2008, the California Office of Planning and Research (OPR) released a Technical Advisory titled *CEQA and Climate Change: Addressing Climate Change Through CEQA Review*. In this document OPR verifies that GHG emissions are appropriate subjects for CEQA analysis that should be evaluated even without the presence of established thresholds. Further OPR establishes that lead agencies must assess whether emissions are individually or cumulative significant. As guidelines are not currently finalized, the APCD suggests that projects subject to CEQA should quantify project related GHG emissions and identify feasible mitigation.

7-6

APCD supports the applicant's proposed GHG mitigation approach. By fully offsetting the project's cumulative carbon emissions (3,843 tons) by contributing to an emissions offset program, the applicant is taking a responsible approach to its business practices with respect to greenhouse gas. The APCD is in the process of establishing a carbon-offsetting program for San Luis Obispo County. **APCD recommends that the applicant contribute to this fund an amount based on the project's impact (3,843 tons) and an assessment of current market-based price of carbon credits. If these funds are not expended on project(s) consistent with this offsetting program within two (2) years, the funds will be applied to another established carbon offsetting program.**

Again, thank you for the opportunity to comment on this proposal. If you have any questions or comments, feel free to contact me at 781-5912.

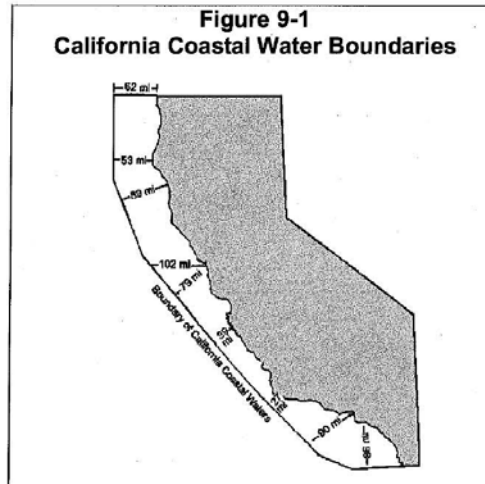
Sincerely,



Darren Brown,  
Air Quality Specialist

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- (4) Only marine vessel activity in California coastal waters and internal waters may be used to determine project emission reductions. Figure 9-1 depicts California coastal waters. For the purposes of the Carl Moyer Program, California water boundaries are based upon each air districts' emission inventory boundary. If a local district has not established an emission inventory boundary, the ARB and district staff will determine an appropriate boundary for use in project evaluation.



- (5) Non-captive California fleets and vessels may be considered for funding on case-by-case basis if their operation in California coastal waters can be properly documented.
- (6) Marine vessel engines with a functioning hour meter must base project cost-effectiveness calculations and eligibility on hours of operation. If the applicant did not have a functioning hour meter to document historical hours of operation, historical fuel usage may be used. Historical fuel usage must be based on two years of historical fuel usage documentation specific for the vessel being funded. Documentation may include fuel logs, purchase receipts or ledger entries.
- (7) Excursion, ferry, tug or tow boat project applications received after February 28, 2009 must include a copy of the most recent Initial Report required by Section (h)(1) of ARB's Harbor Craft Regulation. As of this date, a project participant's Annual Reports to air districts must also include a copy of the most recent Harbor Craft Regulation Initial Report. Air districts are responsible for ensuring that the engine hours of operation and other information included in the project application and Annual Report are consistent with that included in the rule Initial Report.
- (8) Vessels which are not self-propelled (e.g. barges) are not eligible for Carl Moyer Program funding.
- (9) Funding is only available for retrofit or repower projects if the baseline engine is a diesel engine.

**RESPONSE TO COMMENT SET 7: COUNTY OF SAN LUIS OBISPO AIR  
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SPECIALIST**

7-1 Comments directs the applicant to a contact within the APCD regarding final permit approvals. No response is required.

7-2 Comment states the role of the APCD in the CEQA process. No response is required.

7-3 The comment provides a list of standard construction equipment mitigation measures. These measures have been included in the Final EIR (MM AQ-1a).

7-4 The comment requests a recalculation of estimated emissions to reflect the emissions within California Coastal Waters as defined by the Carl Moyer Guidelines. The revised calculations have been completed and are provided in the updated Tables 4.2-5 and 4.2-6 in Section 4, Revised Pages to the Draft EIR of the Final EIR.

The comment provides guidance to the applicant regarding the required off-site mitigation program that needs to be implemented to address the projects ozone precursor exceedance. This information has been provided to the applicant and clarification regarding the timing for implementation of the offsite NOx Mitigation Program has been provided in MM AQ-1b (see Section 4, Revised Pages to the Draft EIR of the Final EIR).

7-5 The comment states the operational emissions will not require mitigation. No response is required.

7-6 The comment outlines the fact that the County is currently establishing a carbon offsetting program and directs the applicant to consider this program when implementing the EIR Carbon Emissions Offset mitigation measure. The information has been provided to the applicant and revisions made to MM AQ-2.

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